NEWARK & SHERWOOD DISTRICT COUNCIL

Report to: Audit & Accounts Committee: 10.12.25

Director Lead: Matthew Finch – Communities and Environment

Lead Officer: Richard Bates – Safety, Risk and Insurance Manager

Report Summary	
Report Title	Corporate Risk Management Strategy and Policy Review
Purpose of Report	To inform members of the updated Corporate Risk Management Strategy and Policy.
Recommendations	Members of the Committee are asked to note the report and to highlight any issues of concern relating to the Corporate Risk Management Strategy and Policy Review.
Reason for Recommendation	To ensure Committee members are able to review the Council's Corporate Risk Management Strategy and Policy in accordance with the council's constitution prior to seeking Cabinet approval.

1.0 Background

1.1 The council's Corporate Risk Management Strategy and Policy is required to be reviewed periodically. This review has been undertaken in accordance with this requirement and to capture comments identified within a previous audit report.

1.2 Although there are a number of alterations within this revision, they are generally housekeeping matters and mainly capture changes in roles/responsibilities and titles.

1.3 SLT have recently reviewed this policy and have agreed the revision with its highlighted amendments.

1.4 The policy will be sent to Cabinet for approval following review by members of this committee.

1.5 A copy of the revised policy is appended to this report. All significant changes are highlighted in red text.

2.0 Proposal /Options Considered

2.1 Members review the attached policy prior to seeking Cabinet approval.

3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Implications Considered **Yes – relevant and included / NA – not applicable**			
Financial	NA	Equality & Diversity	NA
Human Resources	NA	Human Rights	NA
Legal	NA	Data Protection	NA
Digital & Cyber Security	NA	Safeguarding	NA
Sustainability	NA	Crime & Disorder	NA
LGR	NA	Tenant Consultation	NA

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Appendix 1

NEWARK & SHERWOOD DISTRICT COUNCIL

.

Document Name: Corporate Risk Management Strategy and Policy

Effective Date:

Date of Last Review: DEC 2025

Date for Next Review: DEC 2027

Version Number: 3

Approved by SLT: NOV 2025

Responsible Business Manager: Business Manager - Public Protection

Corporate Risk Management Strategy and Policy

1.0 INTRODUCTION

1.1 Risk management is the management of business risk in a manner consistent with the virtues of economy, efficiency and effectiveness. In essence it is about making the most of opportunities, making the right decisions and about achieving objectives once those decisions are made. This is achieved through:

- Identifying risk
- Controlling and managing risks
- Transferring risks (including insurance)
- Living with risks

1.2 A certain amount of risk taking is both inevitable and essential if the Council is to achieve its objectives. The Council recognises that the way it manages the many risks facing it contributes towards the successful implementation and achievement of its objectives/priorities.

1.3 Risk management is as much about getting the right balance between innovation, change and exploiting opportunities on the one hand as it is managing threats and the avoidance of shocks and crises on the other. If correctly managed it can be a positive driver to encouraging innovation in existing service delivery and entrepreneurship in developing new services or new methods of delivery.

1.4 Risk management benefits an organisation and the performance of its managers by giving a clear sense of priorities and focus on objectives and a tool to aid more effective and efficient handling of resource distribution. It increases the likelihood of success and reduces the probability of failure and the uncertainty of achieving the organisation's overall objectives.

1.5 The Council recognises that risk management is an essential part of securing the "health" of the organisation and is an integral part of corporate governance.

2.0 RISK MANAGEMENT STATEMENT, AIMS AND OBJECTIVES

2.1 Risk management is a vital activity that underpins and forms part of the council's vision, values and strategic objectives. Effective risk management helps ensure the council operates effectively and efficiently and provides confidence to its community.

2.2 Risk is present in everything the Council undertakes, and it will identify, assess and manage significant and key areas of risk on a proactive basis. Risk management needs to be embedded throughout all processes, projects and strategic decisions. This includes partnerships and third-party relationships.

2.3 The aim of this risk management framework is to ensure the council fit for purpose and utilises its available skills and capabilities to the full. Risk management is most effective as an enabling tool, so a consistent, communicated and formalised process is essential. It is important to define the level of risk exposure considered acceptable for the organisation. This creates a clear picture of those risks that may threaten the ability of the council to achieve its objectives.

2.4 The Council's risk management objectives are to:

a) Create an environment where risk management is fully embedded and forms an integral part of planning, management processes and the general culture of the Authority rather than being viewed or practised as a separate function.

b) Achieve better quality decision making that will see a reduction in costs and an increase in the probability of delivering the quality services which the Council is aiming for.

c) Minimise possible failure through forward planning and a thorough knowledge and acceptance of potential impacts of each major decision taken.

d) Enable innovation and opportunity taking, not stifle them.

e) Ensure that those who create risks manage them responsibly and understand that failure to manage real significant risks responsibly is likely to lead to robust action including, where appropriate disciplinary action.

f) Work with partners, elected members, providers and contractors to develop awareness and a common understanding of the Council's expectations on risk management.

2.5 To achieve these objectives, the Council will develop a systematic and consistent approach to the management of risk that will:

a) Implement effective risk management as a key element of good governance and rigorous performance management.

b) Consider risk is an integral part of corporate and business planning and service delivery.

c) Encourage considered and responsible risk taking as a legitimate response to opportunity and uncertainty.

d) Achieve better outcomes for the Council through a more realistic assessment of the challenges faced, through improved decision-making and targeted risk mitigation and control.

e) Engender, reinforce and replicate good practice in risk management.

3.0 ROLES AND RESPONSIBILITIES

3.1 All Councillors, employees, service providers, partners, and stakeholders are expected to play a positive role in embedding the culture, ethos and practice of effective risk management in all activities. The following identifies their specific roles and responsibilities.

The Risk Management Guidance Document provides an overview of this Council's risk management framework and the roles and responsibilities associated with implementing it.

3.2 **Risk Owners**

A risk owner is the person with accountability and authority to manage a risk. For strategic risks this will always be a member of the SLT.

Risk owners shall ensure that risks are always managed in accordance with this policy.

3.3 **Risk ~~Assignees~~ Support Officers**

A risk ~~assignee~~ Support Officer is an officer, who ~~usually~~ has specialist and or operational knowledge relating to specific risks. Risk ~~assignees~~ Support Officers are required to support the risk owner in ensuring that the risk is suitably managed.

3.4 **Senior Leadership Team**

a) Review on an annual basis, in conjunction with the Business Manager - ~~Human Resources and Training~~ Public Protection and the Safety, Risk and Insurance Manager, the Corporate Strategic Risk Register and identify new risks that may impact on the Council and the community and agree relevant risk mitigation.

b) Determine and allocate ownership for each identified strategic risk.

c) Annually review the Council's risk appetite statement.

d) Receive minutes and reports from the Risk Management Group, including details of new/emerging risks from the Risk Management Group.

e) Review reports and provide corporate comment/direction.

f) To provide corporate commitment to the embedding of risk management within the Council.

g) Provide strategic oversight in relation to risk management performance.

3.5 **Director of Communities and Environment**

a) To Chair the Risk Management Group and direct its activities in accordance with its remit and the Risk Management Policy.

b) To be the corporate Risk Champion and to promote a risk management culture within the Council.

3.6 **Risk Management Group**

The Risk Management Group is the Council's main forum for risk management issues. This group is chaired by the Director ~~responsible for risk management~~ of Communities and Environment and supported by specialist lead officers and representatives from each of the business units.

The group will meet formally on a quarterly basis.

The main aims/objectives of the group are:

a) To promote implementation of the Risk Management Policy on a corporate basis.

b) To promote use of the risk management process across all aspects of service delivery.

c) To consider, evaluate and recommend actions to address significant risks identified by group members.

d) To maintain and enhance specialist skills across the Council and access additional skills as required.

e) Bring to the attention of SLT, all relevant new/emerging risks and/or risk management issues that are raised via this group, including:

- Those that may have potential strategic impact on the ability of the Council to achieve its objectives and/or have, or are likely to have significant financial implications.
- Those of such a nature that cannot be managed by the Risk Management Group ~~and /or the Business Manager~~ - ~~Human Resources and Training~~.
- That may expose the Council and/or its officers and Members to ~~severe and/or~~ imminent risk of civil and/or statutory liability.

f) To identify and appropriately fund relevant corporate risk management proposals/initiatives that have demonstrated to the Risk Management Group the potential for risk control/mitigation.

g) Through minutes of the meetings, report significant issues to SLT.

3.7 **Business Manager - Public Protection**

The Business Manager - Public Protection is responsible for managing the risk management process.

The Business Manager - Public Protection is specifically responsible for ensuring:

a) The Risk Management Policy is suitable and appropriately implemented.

b) The risk management function is suitably resourced.

c) To facilitate a review of the Corporate Risk Register via workshops with SLT and where necessary senior Members.

~~d) Provide reports as necessary to SLT, Risk Management Group, Cabinet and Audit and Accounts Overview and Scrutiny Governance Committee.~~

~~e) Bring to the attention of SLT all new risks and risk management issues that are relevant. These will be:~~

- ~~Of potential strategic impact on the ability of the Council to achieve its objectives and/or have, or are likely to have significant financial implications.~~
- ~~Of such a nature that cannot be managed by the Risk Management Group and/or the Business Manager - Human Resources and Training Public Protection.~~
- ~~Issues that may expose the Council and/or its officers and Members to severe and/or imminent risk of civil and/or statutory liability.~~

~~f) To monitor and provide an assessment of the effectiveness (or otherwise) of:~~

- ~~The robustness of corporate arrangements for risk management.~~
- ~~The implementation of corporate/departmental risk management arrangements.~~

~~g) To manage the budget for corporate risk management initiatives agreed at the Risk Management Group.~~

3.8 **Safety, Risk and Insurance Manager**

The Safety, Risk and Insurance Manager is the lead officer providing technical advice, assistance and support to assist in ensuring that risk management is fully embedded within the organisation.

a) To provide advice and guidance to assist the Council in ensuring effective risk management processes are in place and adherence to this policy.

b) To assist the Business Manager – Public Protection in undertaking the duties as defined in this policy.

c) To closely liaise with Risk Management Group and other lead officers to coordinate corporate risk management initiatives and delivery of the policy.

d) To liaise with on a regular basis, the Council's Insurers to ensure that future premiums reflect fully the risk management performance of the Council and to receive advice from them to feed into the Risk Management Group.

e) To monitor and provide an assessment of the effectiveness (or otherwise) of:

- The robustness of corporate arrangements for risk management.
- The implementation of corporate/departmental risk management arrangements.

To manage the budget for corporate risk management initiatives agreed at the Risk Management Group.

f) To arrange all Council insurance on behalf of all services to ensure compliance with the Council's financial regulations.

g) Providing SLT and the Risk Management Group with quarterly assurance reports regarding the status of strategic and operational risks. These reports will be on an exception basis and include:

- Risks not reviewed within the last period or longer.
- Those risks identified as "red".
- Risks that have increased in score.
- Outstanding actions not completed within specified completion date.
- Red risks with no mitigating actions

h) Provide reports as necessary to SLT, Risk Management Group, Cabinet and the Audit and ~~Accounts Overview and Scrutiny~~ Accounts Committee.

i) Bring to the attention of SLT all new risks and risk management issues that are relevant. These will be:

- Of potential strategic impact on the ability of the Council to achieve its objectives and/or have, or are likely to have significant financial implications.
- Of such a nature that cannot be managed by the Risk Management Group and/or the Business Manager - ~~Human Resources and Training~~ Public Protection.
- Issues that may expose the Council and/or its officers and Members to severe and/or imminent risk of civil and/or statutory liability.

3.9 **Business Manager - Finance**

a) To manage the Insurance fund.

~~b) To liaise with on a regular basis, the Council's Insurers to ensure that future premiums reflect fully the risk management performance of the Council and to receive advice from them to feed into the Risk Management Group.~~

c) In conjunction with the ~~Business Manager – Public Protection~~ Safety, Risk and Insurance Manager, coordinate corporate risk management initiatives and deliverance of the policy, especially that part related to the transfer of risks by external insurance and the internal acceptance/transfer of others using the internal self-insurance fund.

~~d) To arrange all Council insurance on behalf of all services to ensure compliance with the Council's financial regulations.~~

~~e) To closely liaise with the Council's Safety, Risk and Insurance Manager and together coordinate corporate risk management initiatives and deliverance of the policy~~

3.10 ~~**Transformation Manager**~~

~~The Transformation Manager is responsible for providing SLT and the Risk Management Group with quarterly assurance reports regarding the status of strategic and operational risks. These reports will be on an exception basis and include:~~

~~a) Risks not reviewed within the last period.~~
~~b) Those risks identified as "red".~~
~~c) Risks that have increased in score.~~
~~d) Outstanding actions not completed within specified completion date.~~

3.11 **Business Managers**

Business Managers are required to ensure risk management is an integral part of service delivery/ planning and is fully embedded within their business unit. To ensure this they shall:

a) Ensure that operational business risks are identified, evaluated and appropriately controlled as they arise and ensure that all operational business risks are embedded within their own area's Service Plans.

b) Review all their operational risks on a 3 monthly basis.

c) In consultation with SLT and Risk Management Group, assist with the compilation and maintenance of the Council's Risk Management Register and profile.

d) ~~E~~nsure adequate representation and attendance at Risk Management Group where required.

e) Notify, in a timely manner, the Safety, Risk and Insurance Manager ~~SLT and the Business Manager - Human Resources and Training~~ of all new potential strategic risks that may require addressing.

f) Ensure all business insurance matters are conducted via the Council's Insurance Officer.

3.12 **Employees**

The Council is committed to the effective management of risk. It is the responsibility of all employees to carry out their duties and responsibilities with adequate regard for risk management, as outlined within this policy.

3.13 **Internal Audit**

Internal Audit shall, where appropriate, report upon the effectiveness of the Council's internal control environment and therefore help managers in minimising risk levels.

~~3.14 **Policy and Finance Committee**~~

~~a) Consider the effectiveness and adequacy of the Council's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements. To consider the adequacy of the action being taken on risk related issues identified by auditors and inspectors.~~

~~b) Be satisfied that the Council's assurance statements properly reflect the risk environment and any controls in place to manage it.~~

~~c) Be assured that an effective policy and strategy is in place to manage risks throughout the Council.~~

~~d) To receive reports as necessary relevant to the corporate management of risk and key strategic risks and incidents.~~

~~e) Be aware of the risk management implications during formulation/agreement of strategic decisions, objectives, etc.~~

3.15 **Cabinet**

a) Approve Risk Management Strategies and Policies.

b) Reviewing the effectiveness of Risk Management arrangements.

3.16 Audit and Accounts ~~Governance~~ Committee

a) Assurance of the Council's governance, risk management framework and associated control environment and policies including the Council's Risk Register, Risk Management Strategy, and anti-fraud and anti-corruption arrangements.

~~b) To review the Council's corporate governance arrangements to ensure that efficient and effective assurance arrangements are in place.~~

~~c) Consider the effectiveness and adequacy of the Council's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements. To consider the adequacy of the action being taken on risk related issues identified by auditors and inspectors.~~

~~d) Be satisfied that the Council's assurance statements properly reflect the risk environment and any controls in place to manage it.~~

~~e) To receive, examine and determine efficacy of the Council's risk management process and performance.~~

~~f) To consider and comment on the Strategic Risk Register.~~

3.16 **Elected Members**

Elected Members suitably consider risk management implications whilst decision making.

4.0 RISK APPETITE

4.1 The term 'Risk Appetite' is used to describe the amount of risk an organisation is willing to take in managing and controlling risk to maximise their chances of successful delivery of corporate objectives.

4.2 Given the breadth of services and functions, the Council undertakes it will inevitably have a variable appetite to risk. Decisions will depend on the context, nature of potential losses or gains and extent to which information available regarding risks is complete, reliable and relevant.

4.3 It is essential that the Council's appetite for risk is appreciated by all involved in the risk management process. Along with the availability of limited resources, this will be an important determining factor when deciding on a response to the risks identified.

4.4 Risk appetite will be assessed annually by SLT to determine suitability as part of the risk profiling process.

4.5 **COUNCIL'S AGREED RISK APPETITE STATEMENT**

The organisation operates within a strict regulatory framework and does not recognise any appetite for risk taking with regard to compliance and governance, and adherence to policies and procedures such as the General Data Protection Regulations and the Health and Safety Act. Tolerance to risk events in these areas is extremely low and any incidents or breaches will be swiftly and robustly addressed.

This means that reducing to reasonably practicable levels the risks originating from various systems, products, equipment, and our work environment, and meeting our legal obligations will take priority over other business objectives.

Quality of service delivery is also of paramount importance, and we will strive to support the people we care for by tolerating only minimal risk with regard to business continuity, project management and maintaining staff skills and competency.

We are prepared to take an acceptable level of financial risk to achieve our objectives, providing it is appropriately managed in accordance with this policy and without compromising service quality or financial viability.

We are prepared to embrace viable risk-taking in order to remain innovative and competitive and to realise opportunities.

4.6 Due to the nature of Council's priorities, different types of risk will potentially be more acceptable than others. Further guidance re risk categories and appetite can be found within the "Risk Management Guidance Document".

5.0 RISK OWNERSHIP

5.1 All risks shall have a designated risk owner. Risk owners have overall responsibility for the maintenance, monitoring and implementation of action(s) to remedy or mitigate the risk.

5.2 Ownership for the different risks is detailed below:

- **STRATEGIC RISK**: Strategic risks shall only be owned by a member of SLT who will be assisted by relevant risk ~~assignees~~ Support Officers. SLT will agree and determine the risk owner for all strategic risks.
- **OPERATIONAL RISK**: Unless otherwise identified the Business Manager shall be the owner of those operational risks identified.
- **PROJECT RISK**: The nominated project lead will, unless otherwise stated, be the risk owner of all project based risk assessments. The risk owner shall be identified within the Project Initiation Document.

5.3 Where required risk owners will be assisted by risk ~~assignees~~ support officers. Risk ~~assignees~~ support officers are officers that are required to assist the risk owner in maintaining the risk.

6.0 RISK MANAGEMENT PROCESS

6.1 A standardised procedure will be utilised. The overall process followed for risk management is set out within the Risk Management Guidance Document.

7.0 IDENTIFYING SIGNIFICANT RISK

7.1 The Council will identify all significant **OPERATIONAL**, **STRATEGIC** and **PROJECT** risks to which it is exposed.

7.2 Risk management shall be an integral part of the annual business planning process and shall be explicit within service plans.

7.3 Strategic Risk Identification

7.3.1 A strategic risk identification workshop shall be undertaken on an annual basis by SLT. This exercise shall be organised and facilitated by the ~~Business Manager - Human Resources and Training~~ Safety, Risk and Insurance Manager. The purpose of this workshop is to:

a) Ensure that the current strategic register remains effective.
b) Identify new strategic risks facing the Council, and
c) Ensure the register only contains current/relevant risks.

7.3.2 Strategic risks identified in the interim period between annual strategic risk reviews shall initially be presented at SLT for consideration, by the relevant risk owner.

7.3.3 New or future strategic risks identified should be forwarded to SLT and where appropriate, the Risk Management Group, for discussion and agreement before inclusion within the corporate risk profile.

7.4 **Operational Risk Identification**

7.4.1 Business Managers shall consider the significant operational risks that may affect their business units. Special consideration shall also be given to significant projects/contracts and all partnerships.

7.4.2 Business Managers shall ensure that new foreseeable and significant operational risks are identified and suitably developed as and when they arise. Great care should be taken in determining risks for inclusion. Only relevant and current risks should remain active.

7.5 **Project Risk Identification**

7.5.1 Project leads shall ensure that project risks are identified throughout the project life. This should include:

- At the project conceptual/development stage so that significant risks can be included within any PID submission or business case.
- Once the project is agreed and prior to commencement, and
- At significant points/changes/failures within the project life.

7.6 Risk owners shall ensure that each risk identified has:

- An original, current and target risk score.
- A suitable description of the risk.
- A determination of the management status i.e. controlled, over controlled, control pending, under controlled.

8.0 <u>DETERMINING, DEVELOPING AND IMPLEMENTING ACTIONS</u>

8.1 Prioritisation of risks will be determined using the agreed risk management risk matrix. Agreed risk tolerances can be found within the risk management guidance document.

8.2 All risks shall be suitably developed to identify both current controls in place to mitigate the risk and future actions required to reduce the level of risk to acceptable risk.

8.3 All risks shall have a target risk level assigned. Target risks level for strategic risks shall be determined by SLT. Owners of other risk types shall be responsible for setting their own target risk.

Target risks should be realistic and achievable. When determining target risks, risk owners shall consider to what degree mitigation measures can influence either likelihood or severity and score accordingly.

8.4 The Council's agreed risk appetite statement shall be utilised in determining and prioritising a suitable response.

9.0 CONTROLLING RISK

9.1 Risk owners shall ensure all identified mitigating controls are appropriate to allow the target risk to be achieved.

9.2 All relevant current controls should be listed within the risk assessment. Risk owners shall consider these and determine if they are appropriate to suitably control/mitigate the risks to a tolerable level. If not the risk owner shall ensure further actions are developed.

9.3 It is essential that risk owners ensure that all risks are controlled in accordance with the Council's appetite for risk.

9.4 Risk owners are responsible for ensuring that action plans are developed and managed. It is essential that actions are "SMART" and that ownership is assigned.

9.5 In consideration of the risk analysis, profiling and prioritisation, the most favourable course of action will then be determined. The options for action with risk will include **TRANSFER, TREAT, TERMINATE or TOLERATE.**

9.6 Risk owners shall evaluate the suitability of controls and actions during every review.

10.0 MONITORING, REPORTING AND REVIEW

10.1 Key risk indicators shall be stated within the risk profile section along with mitigating controls, key target dates and review deadlines. Progress in managing risks shall be monitored by the risk owner in accordance with the action plans and recorded so that losses are minimised and intended actions are achieved. Reporting upwards on all risks in the risk profile (not just on those being controlled or treated) will be essential.

10.2 All strategic and operational risks shall be recorded and maintained.

10.3 Risk owners are required to ensure that all risks remain relevant and that scores identified within this system are evaluated at least every 3 months.

10.4 **Monitoring and reporting arrangements:**

10.4.1 **Strategic risks:**

a) Reviewed at least every 3 months by the risk owner.
b) Considered by SLT on an annual basis or sooner should those risks change in significance and likelihood in the interim period.
c) Red risks shall be reported to SLT monthly.
d) All new/emerging strategic risks shall be reported to SLT.
e) Failing risk and/or actions shall be reported to SLT on a quarterly basis.
f) Annual assurance report to Audit and Accounts Committee.

10.4.2 **Operational risks:**

a) Reviewed at least every 3 months by the risk owner.
b) Red operational risks shall be reported to SLT quarterly.
c) Failing operational risks shall be reported to SLT quarterly.

10.4.3 **Project risks:**

a) Reviewed at least every 3 months by the project lead.
b) Red risks shall be reported to project board quarterly.
c) Failing risks shall be reported to project board quarterly.
d) Failing risks shall be notified to SLT at least quarterly.

10.5 The ~~Transformation Business Unit are~~ Safety, Risk and Insurance Manager is responsible for ensuring that SLT are provided with suitable assurance regarding risk performance. They shall provide:

a) Quarterly assurance reports to SLT identifying the above.
b) Monthly reports of red risks and failing risks.

11.0 A CONTINUING CULTURE

11.1 Risk management is dynamic, the nature and potential of risks will change and the identification and analysis of risk needs to be done continuously. To this end, the Council will ensure an effective, well-resourced and representative Risk Management Group that will be tasked to drive the strategy across all business units in the Council.

11.2 Equally important in developing and maintaining a risk management culture shall be the need for appropriate expertise and awareness within the Council. To this end, adequate foundation and refresher training will be provided as necessary for Members and officers.

11.3 Risk identification, management and planning shall be an essential component prior to the commencement of all significant organisational change, new service provision or projects. The management and review of risks shall be explicit in the delivery of the change, service provision and/or project.

Safety, Risk and Insurance Manager
December 2025